Report Contents:

International Trade Highlights:

On August 25, the USDA Economic Research Service (ERS) and USDA FAS published the quarterly *Outlook for U.S. Agricultural Trade*. According to the report, during the fiscal year (FY) 2017, U.S. agricultural exports are forecast at $133.0 billion, up from $127.0 billion in 2016. Exports of livestock products in 2017 are predicted to total $16.3 billion, up 1.2 percent over 2016. Beef and veal exports during 2017 are expected to equal 800,000 MT, valued at $5.3 billion, 1.9 percent higher than a year ago. The 2016 estimate is 800,000 MT, valued at $5.2 billion, which is unchanged as exports slowly recover on higher supplies and moderating prices. During 2017, pork exports are forecast at 1.8 MMT, with a value of $4.7 billion. The 2016 estimate is 1.7 MMT, valued at $4.6 billion. Beef and pork variety meat exports during 2017 are expected to total 800,000 MT, valued at $1.5 billion. The 2016 estimate is 800,000 MT, valued at $1.5 billion. Poultry and poultry product exports in 2017 are expected to total $4.8 billion, up 9.0 percent over a year ago. The 2016 estimate is $4.4 million. Exported broiler meat in 2017 is expected to reach $3.0 billion, up $300 million over the prior year, with gains on both volume sales and higher prices. Broiler meat exports is 2017 are estimated to reach $3.0 billion, or 3.2 MMT. As for 2016 forecasts, broiler meat exports is $2.7 million or 2.9 MMT. Predicted broiler meat export value for 2017 is 11.11 percent higher than 2016. Despite expected growth in 2017, broiler meat export prices are predicted to exports are expected to remain below levels prior to pre-highly pathogenic avian influenza (HPAI) levels. During FY 2017, U.S. agricultural imports are predicted to total $113.5 billion, up from $113.1 billion in 2016. During 2017, the U.S. is expected to import $11.6 billion of livestock and meat. This is 4.1 percent less than 2016. Imports of cattle and calves during 2017 are expected to total 1.8 million head, with a value of $1.7 billion. The 2016 estimate is 1.8 million head, with a value of $1.7 billion. During 2017, swine imports are forecast to total 5.9 million head and are estimated to value $400 million. Swine imports during 2016 are predicted to equal 5.9 million head, with a value of $400 million. U.S. imports of fresh beef and veal during FY 2017 are forecast at 1.0 MMT, with a value of $4.7 billion. This is 9.6 percent lower than 2016, due to higher U.S. beef production and tight competitor supplies. During 2016, fresh beef and veal imports are estimated at 1.0 MMT, with a value of $5.2 billion. U.S. imports of fresh pork during 2017 are forecast at 500,000 MT, with a value of $1.8 billion. The 2016 estimate is 500,000 MT, with a value of $1.7 billion. To view the entire report, visit the ERS website at http://www.ers.usda.gov/.

According to a USDA Foreign Agriculture Service report, since the U.S. entered into the CAFTA-DR trade agreement, U.S. agriculture exports to the six CAFTA-DR countries (Costa Rice, the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua) have more than doubled. From 2005-2015, U.S. the value of exports of agriculture goods to the region grew from 1.9 billion to 4.2 billion, with exports to Guatemala growing faster than to any other country. The agreement has strengthened U.S. ties with the CAFTA-DR region and helped spur economic growth, trade, employment and expansion of the region's middle class. Of the U.S.'s 14 free trade agreements, CAFTA-DR ranks third in terms of the value of agriculture trade. To view the report, visit the FAS website at http://www.fas.usda.gov/.

The USDA Foreign Agricultural Service (FAS) recently published *Livestock and Products Annual 2016* for the countries of the Russia, Czech Republic and Paraguay. The reports include summaries, outlooks, slaughter data, livestock inventories, trade situation updates, consumption statistics, marketing and price analysis and current data on production and supply. The reports are available on the FAS Global Agricultural Information Network (GAIN) at http://gain.fas.usda.gov/.

North America:

U.S. Cattle on Feed

1,000 + Capacity Feedlots	***1,000 Head***
On Feed Julu 1, 2016	10,356
Placed on Feed During July	1,572
Fed Cattle Marketed During July	1,713
Other Disappearance During July	50
On Feed August 1, 2016	10,165

Source: USDA National Agricultural Statistics Service

On August 19, USDA NASS published its monthly *Cattle on Feed* report. According to the numbers, cattle and calves on feed for the U.S. slaughter market for feedlots with a capacity of 1,000 or more head totaled 10.17 million head on August 1, 2016. This was 1.6 percent higher than one year ago and was 4.2 percent higher than two years ago. The number of cattle placed on feed during July rose 1.6 percent over one year ago and rose nearly 1.0 percent over two years ago to 1.57 million head. More specifically, placements of feeder cattle weighing less than 600 pounds totaled 352,000 head, which was 3.6 percent less than a year ago. Placements weighing 600 to 699 pounds were unchanged from last year, totaling 235,000 head. Placements weighing 700 to 799 pounds equaled 360,000 head, which was 10.1 percent higher than last year. Finally, placements weighing more than 800 pounds were nearly 1.0 percent more than a year ago, amounting to 625,000 head. In the meantime, fed cattle marketings during July equaled 1.71 million head. This was down slightly from one year ago and was down 4.1 percent from two years ago. Also, this was the lowest marketings for the month of July since the series began in 1996. The complete report can be found on the NASS website at http://www.nass.usda.gov/.

On August 22, the USDA National Agricultural Statistics Service (NASS) released its monthly *Cold Storage*. According to the report, as of July 31, 2016, beef in U.S. cold storage facilities totaled 469.3 million pounds, which was 12.0 percent more than last year. Also, this was 2.0 percent more than the five year average. Specifically, boneless beef in cold storage was up 2.7 percent over a year ago, amounting to 432.4 million pounds. The volume of beef cuts in cold storage was 5.2 percent lower than a year ago, totaling 36.9 million pounds. Meanwhile, pork in cold storage at the end of July equaled 599.9 million pounds. This was up 21.3 percent over last year but was down 5.3 percent from the five year average. The volume of hams in storage equaled 188.6 million pounds. This was 8.2 percent less than a year ago. Pork bellies in cold storage totaled 50.6 million pounds, which was 114.3 percent higher than last year. The volume of loins in storage was 1.0 percent lower than last year, amounting to 33.6 million pounds. Pork ribs in cold storage totaled 90.0 million pounds, 19.1 percent more than a year ago. Pork butts in cold storage equaled 16.2 million pounds, which was 29.2 percent lower than last year. The volume of trimmings in cold storage decreased 18.3 percent from last year to 36.1 million pounds. The volume of veal in U.S. cold storage was up 110.0 percent over a year ago, totaling 8.1 million pounds. Lamb and mutton in cold storage equaled 41.0 million pounds, which was 4.9 percent higher than last year. As of July 31, 2016, chicken in U.S. cold storage facilities totaled 819.1 million pounds, which was 6.9 percent more than last year. Also, this was 19.7 percent more than the five year average. More specifically, there was 167.7 million pounds of breast meat in cold storage or 20.5 percent more than the previous year. The volume of leg quarters in cold storage was 3.3 percent lower than a year ago, totaling 140.3 million pounds. Wings in cold storage totaled 92.7 million pounds, 58.0 percent more than a year ago. Turkey in cold storage at the end of July equaled 504.9 million pounds. This was up 9.3 percent over last year but was down 3.1 percent over the five year average. The volume of whole turkeys in storage equaled 275.0 million pounds. This was 7.5 percent less than a year ago. Turkey breasts in cold storage totaled 86.8 million pounds, which was 45.6 percent higher than last year. The volume of legs in storage was 10.3 percent higher than last year, amounting to 15.6 million pounds. Lastly, eggs in cold storage at the end of July totaled 38.0 million pounds which is 41.2 percent more than a year ago. This is also 12.4 percent higher than the five year average. Whole eggs in cold storage in July was 21.1 percent more than a year ago at 3.2 million pounds. To obtain the complete report, visit the NASS website at http://www.nass.usda.gov/.

Recently, Statistics Canada published Canada's *Livestock Estimates, July 1, 2016*. According to the numbers, on July 1, 2016, Canada's cattle inventory equaled 13.21 million head. This was 1.3 percent higher than one year ago, making it the first year-over-year increase since July 2012. However, this was nearly 1.0 percent lower than two years ago. The majority of Canada's cattle herd was located in the province of Alberta with 5.37 million head, or 40.7 percent of the total inventory. Alberta's cattle inventory was 1.0 percent more than a year ago. Combined the provinces of Alberta and Saskatchewan contained 8.12 million head of cattle, which was 61.5 percent of Canada's total cattle inventory. This was 2.0 percent higher than last year. As of July 1, farms with cattle and calves numbered 81,465. This was down a little from one year ago and was down 1.4 percent from two years ago. During the first half of 2016, Canada's cattle slaughter totaled 1.24 million head, which was 6.5 percent higher than one year ago but was 8.0 percent lower than two years ago.

Canada's hog and pig inventory on July 1, 2016 equaled 13.45 million head. This was up 1.9 percent over one year ago and was up 4.0 percent over two years ago. The province with the greatest hog and pig inventory was Quebec with 4.32 million head, or 32.1 percent of the total. Quebec's inventory was up 1.9 percent over a year ago. Canada's breeding inventory totaled 1.24 million head. This was slightly higher than the previous report and was slightly higher than a year ago. On July 1, Canada's pig inventory equaled 12.21 million head. This was 1.7 percent higher than the previous report and was 2.0 percent higher than a year ago. The number of sows farrowed during the first half of 2016 totaled 1.28 million head, which was up a little over a year ago. Pigs born during the first half numbered 16.05 million head, down slightly from a year ago. On July 1, 2016, there were 7,035 hog farms, which were slightly higher than one year ago and was slightly higher than two years ago. Canada's hog slaughter during the first half of 2016 equaled 10.11 million head, 5.1 percent higher than one year ago and 3.9 percent higher than two years ago.

As of July 1, 2015, Canada's total sheep and lamb herd equaled 1.04 million head. This was down 2.8 percent from one year ago and was down 5.3 percent from two years ago. The largest concentration of Canada's sheep herd was in the province of Ontario with 321,000 head, or 30.8 percent of the total. This was 2.5 percent lower than one year ago. The province with the second greatest number of sheep was Quebec with 240,000 head, or 23.0 percent. This was 4.0 percent less than the previous year. During the first half of 2016, Canada's sheep slaughter totaled 90,088 head, which was 14.7 percent higher than one year ago and was 8.0 percent higher than two years ago. To obtain all the complete Canada livestock inventory reports, go to the Statistics Canada website at http://www.statcan.gc.ca.

On August 23, the USDA National Agricultural Statistics Service (NASS) released its semi-annual report, *U.S. and Canadian Hogs*. According to the data, as of July 1, 2016, total hog and pig inventory for the U.S. and Canada equaled 81.83 million head. This was 1.8 percent higher than one year ago and was 9.7 percent higher than two years ago. The number of hogs kept for breeding totaled 7.22 million head. This was up nearly 1.0 percent over one year ago and up 2.1 percent over two years ago. Market hogs equaled 74.61 million head, which was 1.9 percent more than one year ago and was 10.5 percent more than two years ago. The number of sows farrowed totaled 7.04 million head, which was up slightly over one year ago and was up 3.3 percent over two years ago. The combined pig crop of both countries totaled 74.33 million head, which was 1.4 percent above one year ago and was 10.6 percent above two years ago. To obtain the entire reports, which are a joint effort between NASS and Statistics Canada, visit the NASS website at http://www.nass.usda.gov/.

Oceania:

The Australian Lot Feeders' Association (ALFA) and Meat & Livestock Australia (MLA) recently published the results of Australia's cattle on feed survey for the second quarter of 2016. According to the numbers, as of June 30, 2016, Australia's cattle on feed equaled 910,967 head. This was slightly lower than the previous quarter and was 4.8 percent lower than a year ago. The majority of the cattle on feed were located in the state of Queensland with 515,088 head, or 56.5 percent of the total. This was up 3.9 percent over the previous quarter. Combined, Queensland and New South Wales contained 800,216 head, or 87.8 percent of the total cattle on feed. During the second quarter, Australia's feedlot capacity totaled 1,214,024 head. This was a little lower than the previous quarter but was 3.6 percent higher than a year ago. The largest feedlot capacity was in the state of Queensland with 642,089 head, which accounted for 52.9 percent of the total. Australia's capacity utilization was 75 percent, compared to 75 percent the previous quarter and 82 percent a year ago. During the second quarter, Australia's cattle marketings increased 12.8 percent over the previous quarter to 712,504 head. Also, this was up 3.2 percent over a year ago. During the first half of the year, Australia's cattle slaughter totaled 3.53 million head, which was 18.2 percent less than one year ago and was 11.4 percent less than two years ago. The complete cattle on feed report can be found on the ALFA website at http://www.feedlots.com.au/.

Australian Cattle On Feed
April 1 to June 30, 2016

	(Number of Head)
On Feed June 30, 2016	910,967
Quarterly Marketings	712,504
Feedlot Capacity	1,214,024

Source: Australian Lot Feeders' Association, Meat & Livestock Australia

New Zealand's Beef Exports for July 2016

(Metric Tons)	Jul 2016	YTD 2016	YTD 2015	YTD Change
Total Beef*	29,476	359,515	360,833	-0.4%
United States	12,938	183,876	204,576	-10.1%
China	5,135	84,035	45,892	83.1%
Taiwan	2,588	23,300	18,831	23.7%
Canada	1,611	17,425	14,454	20.6%

Source: Beef+Lamb New Zealand

Recently, the Economic Service of Beef + Lamb New Zealand (B+LNZ) recently published New Zealand's red meat export statistics for July 2016. According to the data, New Zealand exported 29,476 MT of beef, which was 35.8 percent lower than the previous month and was 2.2 percent lower than July 2015. During July, New Zealand exported 12,938 MT of beef to the U.S. This was down 45.5 percent from June and was down 10.1 percent from the previous year. Total year-to-date beef exports to the U.S. equaled 183,876 MT, which was 10.1 percent lower than the previous year. The U.S. was the primary beef export market for New Zealand with 51.7 percent of the total. New Zealand's beef exports to China during July fell 32.6 percent from the previous month to 5,135 MT. Also, this was 12.8 percent less than July 2015. Total year-to-date beef exports to China were 83.1 percent above last year, amounting to 84,035 MT. China was the second largest beef export market for New Zealand, with 16.6 percent of the total. During July, New Zealand exported 2,588 MT of beef to Taiwan. This was down 20.3 percent from the previous month but was up 17.3 percent over last year. Year-to-date beef exports to Taiwan totaled 23,300 MT, which was 23.7 percent higher than last year. Overall, New Zealand's total year-to-date beef exports totaled 359,515 MT, which was slightly below the corresponding period a year ago.

During July, New Zealand's lamb exports totaled 16,857 MT. This was down 33.2 percent from the previous month and was down 22.3 percent from July 2015. New Zealand's lamb export to the EU during July fell 25.5 percent from the previous month to 7,271 MT. Also, this was 7.6 percent lower than July 2015. Total year-to-date lamb exports to the EU amounted to 115,196 MT, which was 3.0 percent more than a year ago. The EU was the primary lamb export market for New Zealand with 38.7 percent of the total. During July, New Zealand exported 3,495 MT of lamb to China. This was 54.5 percent lower than the previous month and was 43.3 percent lower than July 2015. China was the second largest lamb export market for New Zealand, with 30.4 percent of the total. Total year-to-date lamb exports to China were 17.8 percent higher than last year, amounting to 84,109 MT. Lamb exports to the Middle East during July fell 51.2 percent from June to 1,038 MT. Also, this was down 49.4 percent from last year. Year-to-date lamb exports to the Middle East totaled 17,742 MT, which was 32.4 percent lower than last year. Overall, New Zealand's total year-to-date lamb exports equaled 272,260 MT, which was 4.9 percent above a year ago. Meanwhile, during July, New Zealand exported 4,039 MT of mutton. This was 2.1 percent less than the previous month and was 35.5 percent less than last year. Overall, New Zealand's year-to-date mutton exports totaled 74,080 MT, slightly lower than the same period a year ago. To obtain the complete report, visit the B+LNZ website at http://www.beeflambnz.com/.

New Zealand's Lamb & Mutton Exports for July 2016

(Metric Tons)	Jul 2016	YTD 2016	YTD 2015	YTD Change
Total Lamb*	16,857	272,260	259,502	4.9%
EU	7,271	115,196	111,889	3.0%
China	3,495	84,109	71,397	17.8%
Middle East	1,038	17,742	26,259	-32.4%
United States	1,506	16,908	16,431	2.9%
Total Mutton*	4,039	74,080	74,280	-0.3%

Source: Beef+Lamb New Zealand

The next issue will be available September 15, 2016.

Links to Additional Sources and Other LPGMN International Reports:

Additional Information Sources Include:

- USDA Livestock, Poultry & Grain Market News (LPGMN)
- USDA Animal & Plant Health Inspection Service (APHIS)
- USDA Economic Research Service (ERS)
- USDA Foreign Agricultural Service (FAS)
- USDA National Agricultural Statistics Service (NASS)
- Agriculture and Agri-Food Canada
- CanFax
- Statistics Canada
- Agriculture, Fisheries, and Forestry – Australia (DAFF)
- Meat & Livestock Australia (ALFA)
- Australian Lot Feeders' Association (ALFA)
- New Zealand Beef + Lamb (B+LNZ)
- Agriculture and Livestock Industries Corporation (ALIC)
- Korea International Trade Association (KITA)
- Argentina's Agricultural Food, Health and Quality (SENASA)
- Uruguay's National Meat Organization (INAC)
- Food and Agriculture Organization (FAO)
- New Zealand Ministry for Primary Industries (MPI)

Links to Other LPGMN Reports:

Livestock, Poultry and Grain Individual International Reports